

# House File 2215 - Enrolled

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HOUSE FILE 2215

AN ACT

RELATING TO PRIVATE ACTIVITY BOND ALLOCATION PROCEDURES  
AND SINGLE=PROJECT LIMITATIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 7C.4A, subsection 5, Code 2007, is  
amended to read as follows:

5. Eighteen percent of the state ceiling shall be  
allocated to bonds issued by political subdivisions to finance  
a qualified industry or industries for the manufacturing,  
processing, or assembly of agricultural or manufactured  
products even though the processed products may require  
further treatment before delivery to the ultimate consumer. A  
single project allocated a portion of the state ceiling  
pursuant to this subsection shall not receive an allocation in  
excess of ten million dollars in any calendar year.

Sec. 2. Section 7C.4A, subsection 7, paragraph a, Code  
2007, is amended to read as follows:

a. The amount of the state ceiling which is not otherwise  
allocated under subsections 1 through 5, and after June 30,  
the amount of the state ceiling reserved under subsection 6  
and not allocated, shall be allocated to all bonds requiring  
an allocation under section 146 of the Internal Revenue Code  
without priority for any type of bond over another, except as  
otherwise provided in sections 7C.5 and 7C.11. A single  
project allocated a portion of the state ceiling pursuant to  
this subsection shall not receive an allocation in excess of  
ten million dollars in any calendar year.

Sec. 3. Section 7C.7, Code 2007, is amended to read as  
follows:

7C.7 CERTIFICATION OF ALLOCATION.

Upon the receipt of a completed application pursuant to  
section 7C.6, the governor's designee shall promptly certify  
to the political subdivision the amount of the state ceiling  
allocated to the bonds for the purpose or project with respect  
to which the application was submitted. The allocation shall  
remain valid for ~~thirty one hundred twenty~~ days from the date  
the allocation was certified, subject to the following  
conditions:

1. If the bonds are issued and delivered for the purpose  
or project within the ~~thirty-day one-hundred=twenty=day~~ period  
or the ~~forty-five day thirty=day~~ extension period provided in  
subsection 2, the political subdivision or its representative  
shall within ten days following the issuance and delivery of  
the bonds or not later than June 30 of that year, if the bonds  
were issued and delivered on or before that date, file with  
the governor's designee, in the form or manner the governor's  
designee may prescribe, a notification of the date of issuance  
and the delivery of the bonds, and the actual principal amount  
of bonds issued and delivered. The filing of the notification  
shall be done by actual delivery or by posting in a United  
States post office depository with correct first class postage  
paid. If the actual principal amount of bonds issued and  
delivered is less than the amount of the allocation, the  
amount of the allocation is automatically reduced to the  
actual principal amount of the bonds issued and delivered.

2. If the political subdivision does not reasonably expect  
to issue and deliver the bonds within the ~~thirty-day~~  
~~one-hundred=twenty=day~~ period and evidence of an executed,  
valid and binding agreement to purchase the bonds is obtained  
from an entity with the legal ability to purchase and this  
agreement is filed with the governor's designee, the  
~~thirty-day one-hundred=twenty=day~~ allocation period is  
automatically extended for an additional ~~forty-five thirty~~  
days. The allocation period shall not be extended beyond that  
additional ~~forty-five thirty~~ days.

3. The allocation is no longer valid unless the bonds are  
issued and delivered prior to December 24 or in the case of  
bonds described in section 7C.11 are issued and delivered  
prior to December 31 of the calendar year in which the

3 4 allocation is certified, except as provided in section 7C.8.

3 5 Sec. 4. Section 7C.9, Code 2007, is amended to read as  
3 6 follows:

3 7 7C.9 NONBUSINESS DAYS.

3 8 If the expiration date of either the ~~thirty-day~~  
3 9 ~~one-hundred-twenty-day~~ period or the ~~forty-five day~~ thirty-day  
3 10 extension period described in subsection 1 or 2 of section  
3 11 7C.7 is a Saturday, Sunday or any day on which the offices of  
3 12 the state, banking institutions or savings and loan  
3 13 associations in the state are authorized or required to close,  
3 14 the expiration date is extended to the first day thereafter  
3 15 which is not a Saturday, Sunday or other previously described  
3 16 day.

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3 20 \_\_\_\_\_  
3 21 PATRICK J. MURPHY  
3 22 Speaker of the House

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3 25 \_\_\_\_\_  
3 26 JOHN P. KIBBIE  
3 27 President of the Senate

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3 29 I hereby certify that this bill originated in the House and  
3 30 is known as House File 2215, Eighty-second General Assembly.

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3 33 \_\_\_\_\_  
3 34 MARK BRANDSGARD  
3 35 Chief Clerk of the House

3 36 Approved \_\_\_\_\_, 2008

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4 5 CHESTER J. CULVER

4 6 Governor